LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
301 State House
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FISCAL IMPACT STATEMENT

LS 6141
BILL NUMBER: SB 158

DATE PREPARED: Dec 10, 2001
BILL AMENDED:

SUBJECT: Pharmacy Dispensing Fee Survey.

FISCAL ANALYST: Alan Gossard
PHONE NUMBER: 233-3546

FUNDS AFFECTED: **X** **GENERAL**
                              DEDICATED
                     X **FEDERAL**

IMPACT: State

Summary of Legislation: This bill requires the Office of Medicaid Policy and Planning (OMPP) to conduct an annual survey of pharmacy providers to assess the appropriate level of dispensing fees paid to providers for prescribed drugs. The bill lists factors that must be considered in the survey. The bill also requires the Secretary of the Office of Family and Social Services (FSSA) to commence the rulemaking process to implement any adjustment in dispensing fees not later than November 1 of the year in which a survey was conducted.

Effective Date: Upon passage.

Explanation of State Expenditures: A survey to an average enrollment of 1,550 pharmacy providers is estimated to cost no more than $5,000. However, the cost could be more or less, depending upon the method of mailing and on the possible use of outside personnel to aid in evaluating the results. This cost would be eligible for federal reimbursement of 50% of expenditures. In addition, there would be additional workload on OMPP staff.

Explanation of State Revenues: See Explanation of State Expenditures, above, regarding federal financial participation in the Medicaid program. Expenditures are shared, with the federal government reimbursing about 62% of expenditures for services and the state contributing about 38%. However, the reimbursement rate is 50% for administrative expenses.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: OMPP.

Local Agencies Affected:

Information Sources: Katy Howard, OMPP, (317) 233-3045.